

Document No. 4841
12/18/86

857 BOYLSTON STREET ASSOCIATES

HOUSING CREATION PROPOSAL

FOR

FOUNTAIN HILL SQUARE

Summary

857 Boylston Street Associates (a joint venture of Ingalls Real Estate, Inc. and LM&W Properties, Co., Inc.), the developer of 855 Boylston Street, proposes to satisfy its Development Impact Project Exaction Payment through the Housing Creation Option by participating in the Fountain Hill Square Development in Roxbury. This project involves the development of a 208,177 square foot lot into 106 equity units. The developer of the project, Taylor Properties, Inc., has agreed to offer 50% of the units at affordable prices, but the internal project subsidy is not in itself sufficient. Contributing our obligation of \$275,350 will bring the sales prices for 42% of the units down to levels affordable to households at 50% and 80% of the SMSA median income.

Our proposal is significant in several ways:

1. It is the first Development Impact Project Agreement payment that is due and payable and as such is the first real proposal that implements the Mayor's linkage program.
2. It is out of the first real Housing Creation Proposal.
3. It is the first dollar payment to a specific project that actually creates more affordable ownership housing.
4. It is out of the first downtown development team that has agreed to go forward with linkage in spite of recent court decisions, in hopes of encouraging other developers to participate in creating a better livable city for all of the residents.
5. It is the first such BRA project that utilized a Project Review Committee composed of local residents and abutters to assist in the selection process and to work in parallel with Taylor Properties on the key aspects of the project.

The five issues outlined above make this joint arrangement the kind of project the BRA desires as part of the Housing Creation Program and that the developer is happy to sponsor.

Project Description

Fountain Hill Square Project is located on Parcel 1-2 in the Washington Park Urban Renewal District of Roxbury. This 208,177 square foot parcel has been vacant since 1966. It is bounded by Circuit, Fountain, Regent and Alpine Streets.

The developer is offering 3 spacious and competitive housing models to the consuming public. They are two bedroom condominium units, three bedroom condominium units, and two family townhouses. The project will be constructed in three phases as follows:

Phase I - 38 units
Phase II - 31 units
Phase III - 37 units

<u>Model</u>	<u>Square Footage</u>	<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>	<u>Total</u>
Two Bedroom Condominium	1,036	16	13	15	44
Three Bedroom Condominium	1,114	16	13	15	44
Two Family Townhouse	2,120	<u>6</u>	<u>5</u>	<u>7</u>	<u>18</u>
Total		38	31	37	106

The development will include nearly a one to one parking ratio. Also, landscaping amenities include walks, sod, and shrubbery and trees. The city will provide infrastructure improvements, to include repairing streets, new sidewalks, underground utilities, curbs and gutters along the existing right of way, in excess of \$500,000. In addition, the city and the developer will also make contributions to create a "landmark fountain" to be located within the site. The fountain will be part of the third phase of the project.

The first phase will begin in January/February, 1987. It is expected that the entire project will be completed by September, 1988. The total development cost is approximately \$11,178,846, excluding public and linkage investments. This proposal concerns itself with Phase I only of the project.

Linkage and Project Subsidy

Creating affordable housing in Boston's neighborhoods is a high priority for the City, neighborhood-based developer and downtown developer that participate in linkage. It is particularly acute in the Roxbury area where the rate of ownership is extremely low. Moreover, the movement of gentrification from the South End to Roxbury is occurring with unexpected rapidity. Therefore, the combination of appreciation in property values and the absence of a strong homeownership base threatens to change the entire character of the Roxbury neighborhood. Linkage assistance to the neighborhood project developer offers a real opportunity to abate this problem.

Linkage funds and an internal project subsidy from Taylor Properties will allow 50% of the 38 Phase I units to be sold at affordable prices. Of the 38 units in Phase I, 16 units are reserved for low and moderate income households as defined in the BRA's Housing Creation Regulations, as a result of linkage funds. The developer's subsidy adds another 3 units of moderate income units for a total of 19 units available at affordable prices. The remaining 19 units will be sold at market prices.

<u>Model</u>	<u>Square Footage</u>	<u>Number Very Affordable (50% SMSA) Linkage</u>	<u>Number Affordable (80% SMSA) Linkage</u>	<u>Number Moderate (110% SMSA)</u>	<u>Number Market</u>	<u>Total</u>
Two Bedroom Condominium	1,036	2	6	1	6	15
Three Bedroom Condominium	1,114	2	6	2	7	17
Two Family Townhouse	2,120	<u>0</u>	<u>0</u>	<u>0</u>	<u>6</u>	<u>6</u>
Total.		4	12	3	19	38

What is appealing about this strategy is that the developer can gain a reasonable return on his investment without having to raise the market price units beyond the purchasing power of current Roxbury residents who desire a new home.

Consequently, Fountain Hill Square Development will be a pioneer in how to create significant numbers of affordable units in a neighborhood that is in great demand for homeownership opportunities.

Conclusion: The Benefits To Be Gained

The Fountain Hill Square Development Phase I is the kind of project that should serve as a model for future developments to provide affordable housing opportunities. The benefits can be summarized as:

- eliminating a vacant parcel through the creation of needed housing;
- creating 38 units in the Roxbury area;
- expanding homeownership opportunities for various income groups;
- stabilizing purchasing power and an economic base in Roxbury;
- providing an essential residential base for the upcoming new Dudley and surrounding commercial districts;
- creating construction jobs;
- linking downtown programs to neighborhood housing; and
- linking downtown developers to neighborhood developers.

We are confident that the Fountain Hill Square Development will play a major role in creating affordable housing in Boston's neighborhood. Moreover, it is expected that our initiative into the linkage arena will serve as a catalyst in stimulating other developers to create affordable housing.

DEVELOPMENT IMPACT PROJECT AGREEMENT
For
The Ingalls Building at 857 Boylston Street
Between Fairfield and Gloucester Streets
In the Back Bay, Boston Proper

AGREEMENT made this day of April, 1985 by and between 857 Boylston Street Associates, a joint venture between Back Bay 1984 Limited Partnership, S. Joseph Hoffman and Ingalls Real Estate, Inc., as General Partners, having an address at LM&W Properties Co., Inc., Ten Post Office Square, Boston, Massachusetts 02110 (the "Applicant") and the Boston Redevelopment Authority, a body politic and corporate created pursuant to Chapter 652 of the Acts of 1960, as amended (the "Authority") acting on its own behalf and as escrow agent for the Neighborhood Housing Trust as defined in Article 26 of the Boston Zoning Code (the "Trust").

WHEREAS, the Applicant is the developer of a parcel of land on Boylston Street between Fairfield and Gloucester Streets to be known and numbered 857 Boylston Street (the "Site") which Site is more particularly described on Exhibit A annexed hereto; and

WHEREAS, the Applicant proposes to construct on the Site an office building with ground floor commercial space (the "Project") which constitutes a "Development Impact Project" as defined in Section 26-2 of Article 26 of the Boston Zoning Code as in effect on the date hereof ("Article 26"); and

WHEREAS, the Applicant has submitted to the Authority a Development Impact Project Plan for such Project (the "Plan") complying with the requirements of Section 26-2, subparagraph 2 of Article 26; and

WHEREAS, the Authority, after a public hearing held on April 4, 1985, notice of which hearing was published in the advertisements listed in Exhibit B attached hereto, has approved such Development Impact Project Plan pursuant to Section 26-3, subparagraph 1 of said Article 26; and

WHEREAS, the Neighborhood Housing Trust contemplated by Article 26 has not been established on the date hereof.

NOW, THEREFORE, the parties hereto agree as follows:

1. Capitalized terms used herein without definition shall have the meanings ascribed in Article 26.

2. The Authority having approved the Plan for the Project, the Applicant agrees to develop and carry out the Project as described in the Plan. The Applicant has agreed to require his General Contractor and his subcontractors to use

their best effort to employ 10% women, 25% minority and 50% Boston residents in their work force for the construction of this project. The Applicant has further agreed to formulate a voluntary Employment Opportunity Plan in the future, which plan will detail Applicant's good faith efforts to assure that 50% of the employment opportunities created in the project will be made available to Boston residents.

3. The Applicant will contribute \$50,000 to the City of Boston for the redesign and reconstruction of Copley Square. \$25,000 of this amount would be paid to the Authority on behalf of the City of Boston in the Spring of 1985 and the Balance will be paid in the fall of 1986.

4. The Project will contain approximately 141,950 square feet of gross floor area dedicated to uses enumerated in Table C of subparagraph 2(a) of Section 26-3 of said Article 26.

The exact gross floor area of such Project to be devoted to such uses will be determined based upon the Contract Documents for the Project approved by the Authority pursuant to the Authority's design review procedure. Contract Documents as used herein shall have the meaning ascribed in the Authority's Design Review Procedure attached hereto as Exhibit C.

5. Within thirty (30) days following approval by the Authority of the Contract Documents for the Project in accordance with such Design Review Procedure, the Applicant shall submit to the Authority a calculation of gross floor area, made in accordance with the requirements of the Boston Zoning Code, of the Project (the "Impact Area"). Such calculation shall be certified by The Architects Collaborative or any successor architectural firm engaged by Applicant to design the Project.

6. The Applicant shall be reponsible, in accordance with the terms of this Agreement, for the payment of a Development Impact Project Exaction, as defined in Section 26-2(3) of the Boston Zoning Code. The Applicant hereby agrees to satisfy the Development Impact Project Exaction, determined by multiplying the certified Impact Area, pursuant to paragraph 4 above, in excess of 100,000 square feet by Five Dollars (\$5). Based upon the schematic design for the Project approved by the Authority, it is estimated that the total amount of such Development Impact Project Exaction will be Two Hundred Seventy-Five Thousand, Five Hundred Thirty Dollars (\$275,530.00), calculated as follows:

Gross Building Area:	165,470 S.F.
Deduct:	
Accessory Parking Garage:	10,364
Allowance:	<u>100,000</u>
	55,106 S.F.
	X \$5.00
Exaction Payment Total:	<u>\$275,530</u>

The Applicant may, at its option, satisfy its obligation for the Development Impact Project Exaction by either (1) the payment of money to the City of Boston acting by and through the Neighborhood Housing Trust, or if such Trust has not been created, then to the Authority or (2) a contribution to the creation of housing units for occupancy exclusively by low and moderate income residents of the City of Boston.

If the Applicant elects to satisfy this responsibility pursuant to option one it must submit the total of the Development Impact Project Exaction, as determined by the formula set forth above in twelve equal annual payments. The initial payment shall be due and payable on the Payment Date. (The Payment Date is 24 months after the issuance of the first building permit obtained in connection with the Project or on the issuance of a Certificate of Occupancy whichever occurs sooner.) The subsequent installment payments shall be due and payable without accruing interest on the subsequent eleven anniversary dates of the initial Payment Date. Should the Applicant elect to satisfy its responsibility pursuant to option two, it shall submit to the Authority a written proposal on or before the Payment Date, setting forth a description of the number, location, cost and design of the housing units.

The proposal must satisfy the Housing Creation Exaction requirement, set forth in subparagraph 3(b) of Section 26-2 of Article 26 of the Boston Zoning Code and shall provide for the creation of housing units at a minimum cost equal to the Development Impact Project Exaction as determined by the formula set forth above. This proposal shall be subject to approval of the Authority after public notice and hearing.

7. If the City of Boston shall hereafter impose, assess or levy any excise or tax upon the Applicant or the Project, the proceeds of which are dedicated, in whole or in part, to the establishment of a fund for a purpose substantially similar to the purpose recited in Section 26-1 of said Article 26, amounts payable hereunder by Applicant shall be credited against any such excise tax; provided, however, that if such crediting shall not be legally permissible to satisfy payment of such tax or excise, the obligations of the Applicant hereunder shall, to the extent of the amount of such tax or excise, thereupon cease and be of no further force and effect.

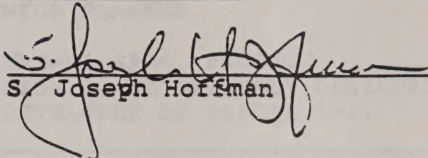
8. This Agreement shall be governed by the laws of The Commonwealth of Massachusetts and notwithstanding any subsequent amendment or repeal (or court decision having the effect of amendment or repeal) of Article 26, shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto, including, without limitation, any successor owner of all or any portion of the Project and

the Trust as successor to the Authority as and when such Trust shall be established.

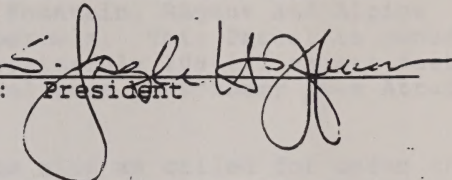
Executed the day and date first above written.

857 BOYLSTON STREET ASSOCIATES

GENERAL PARTNER

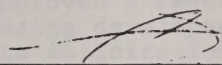

S. Joseph Hoffman

INGALLS REAL ESTATE INC.

By: 
Its: President

BACK BAY 1984 LIMITED
PARTNERSHIP

By: LM&W Companies,
General Partner

By: 
A Partner

BOSTON REDEVELOPMENT AUTHORITY

By: _____

Approved as to form:

Chief General Counsel
Boston Redevelopment Authority

DECEMBER 19, 1985

TO: BOSTON REDEVELOPMENT AUTHORITY AND
STEPHEN COYLE, DIRECTOR

FROM: RICARDO A. MILLETT, ASSISTANT DIRECTOR OF
COMMUNITY PLANNING & DEVELOPMENT
MUHAMMAD ALI-SALAAM, SENIOR PLANNER

SUBJECT: WASHINGTON PARK URBAN RENEWAL AREA, PROJECT
NO. MASS. R-24. PERMISSION TO TENTATIVELY DESIGNATE
TAYLOR PROPERTIES AS REDEVELOPER OF PARCEL I-2.

Disposition Parcel I-2, in the Washington Park Urban Renewal Area is bordered by Circuit, Fountain, Regent and Alpine Streets and various privately-owned parcels. This Parcel is owned by the Authority and consists of approximately 208,177 square feet of vacant land located in a residential area of Roxbury (see Attachment A - map).

Since the primary use of the site as called for under the Washington Park Urban Renewal Plan was no longer necessary, the Authority decided to invoke the secondary use as called for under the Plan. This decision reflected a change in the desired use from a school site to a housing site.

On May 21, 1985, the Authority approved a request to solicit proposals for the creation of "new housing development" on Disposition Parcel I-2. As a result of this solicitation, eight proposals were reviewed by the Authority.

In order to evaluate these proposals, the Authority agreed to expand its normal internal review process and allow for the community review of each proposal by a group of abutters to Parcel I-2. This group of abutters became known as the Fountain Hill Square Project Review Committee (see Attachment B).

The review process undertaken by the Fountain Hill Square Project Review Committee is consistent with the spirit and the principles of a comprehensive community participation process being negotiated by the Mayor, the Director and a coalition of community groups known as the Roxbury Interim Planning Advisory Committee. The aim of these negotiations is to provide a more functional framework for community input in decisions affecting land disposition procedures for Authority and City-owned parcels located in urban renewal and other areas of Roxbury. These negotiations started January, 1985 and are ongoing.

Within the parameters of the above mentioned community participation process, the Fountain Hill Square Project Review Committee recommended to the Authority on November 7, 1985 that the Taylor Properties, Cruz Development Company and Summit Group represented the best three of the eight proposals under consideration; and further, that Taylor Properties be the preferred re-developer for Disposition Parcel I-2. (See Attachment C).

After reviewing all of the solicitations received by the Authority for Parcel I-2, the Authority staff have concluded that the Taylor Properties proposal comes closest to satisfying all of the competition criteria and conditions for selection.

The Development Team for this project is made up exclusively from local real estate development professionals. Taylor Properties' experience includes the development of the Fort Avenue Townhouses (7 units) in Roxbury and Olympia Towers (a 90 unit development) in New Bedford.

The preliminary Taylor Properties proposal calls for the construction of 68 brick townhouses (136 units) with a combination of 1, 2 or 3 bedroom units designed to accommodate 720 sq. ft., 800 sq. ft. or 1440 sq. ft. of living space respectively. (See Attachment D for details on affordability). The developer will provide a minimum of 35% of all units to low and moderate income families, and further agrees to work with the Authority to increase that number to 50%.

In order to write-down the cost of each unit, low interest rate mortgage financing is being negotiated in conjunction with the MHFA-New Construction Program. Construction financing for the entire project will be arranged through conventional sources and permanent financing will be available through a combination of MHFA and conventional sources. (See Attachment E & F).

It is therefore recommended that Taylor Properties be designated tentative re-developer for Disposition Parcel I-2.

An appropriate resolution is attached.

- (d) Evidence of satisfactory compliance with the design and financial terms and conditions for tentative designation referenced as Exhibit A.

2. That disposal of Parcel I-2 by negotiation is the appropriate method of making the land available for redevelopment.

3. That it is hereby found and determined that the proposed development will not result in significant damage to or impairment of the environment and further, that all practicable feasible means and measures have been taken and are being utilized to avoid or minimize damage to the environment.

4. That the developer be and hereby is authorized to petition the Board of Appeals for any zoning changes that may be necessary to complete the proposed development.

5. That the Secretary is hereby authorized and directed to publish notice of the proposed disposal transaction in accordance with Section 105 (E) of the Housing Act of 1949, as amended, including information with respect to the "Redeveloper's Statement for Public Disclosure" (Federal Form H-6004).

Terms and Condition for Tentative Developer Designation
of Urban Renewal Parcel I-2 (Fountain Hill Square)

I. Design

1. Use - The development shall be residential townhouses & condominiums. In the townhouses the lower level may be designed and built as a separate unit.
2. Parking - The site plan of 12/10/85 shall be revised to accommodate a ratio of one (1) parking space per dwelling unit to address design concerns. The total number of units proposed shall be revised as required to accommodate this ratio. All parking shall be off-street and to the rear of units. Garages under units and accessed from the rear are encouraged.
3. Environmental Notification Form (ENF) - An ENF shall be filed with the Authority and other agencies as required.
4. Open Space - A public open space, (playground) of not less than 15,000 square feet shall be provided with agreement for private maintenance for a period of time to be negotiated.
5. Massing/Siting - Townhouses shall be oriented consistent with the development proposal maintaining 20' set back from right of way. Units shall have a maximum height of 40' to the peak. Dormers, baywindows and recessed entries shall be incorporated consistent with development proposals.
6. Materials - All facades of the townhouses shall be brick, as proposed.
7. Landscaping - The developer shall be responsible for all landscaping amenities beyond the public right of way including walks, sod, shrubbery trees and parking areas.
8. Construction Phasing - The Authority requires that the total construction be completed in a maximum of two phases with the development completed by September, 1987. Each phase shall contain a mix of units by size, price, and ownership/rental opportunities. This timeable assumes that BRA commitments in II 2 are completed in a timely fashion.
9. Design Review Process - The Authority requires submission of design drawings for review and approval at three phases in the design review process in accordance with submission requirements normally followed by the architectural profession and the Authority.

- a. Schematic Design Drawings
- b. Design Development Drawings and Outline Specifications;
and
- c. Working drawings and final specifications

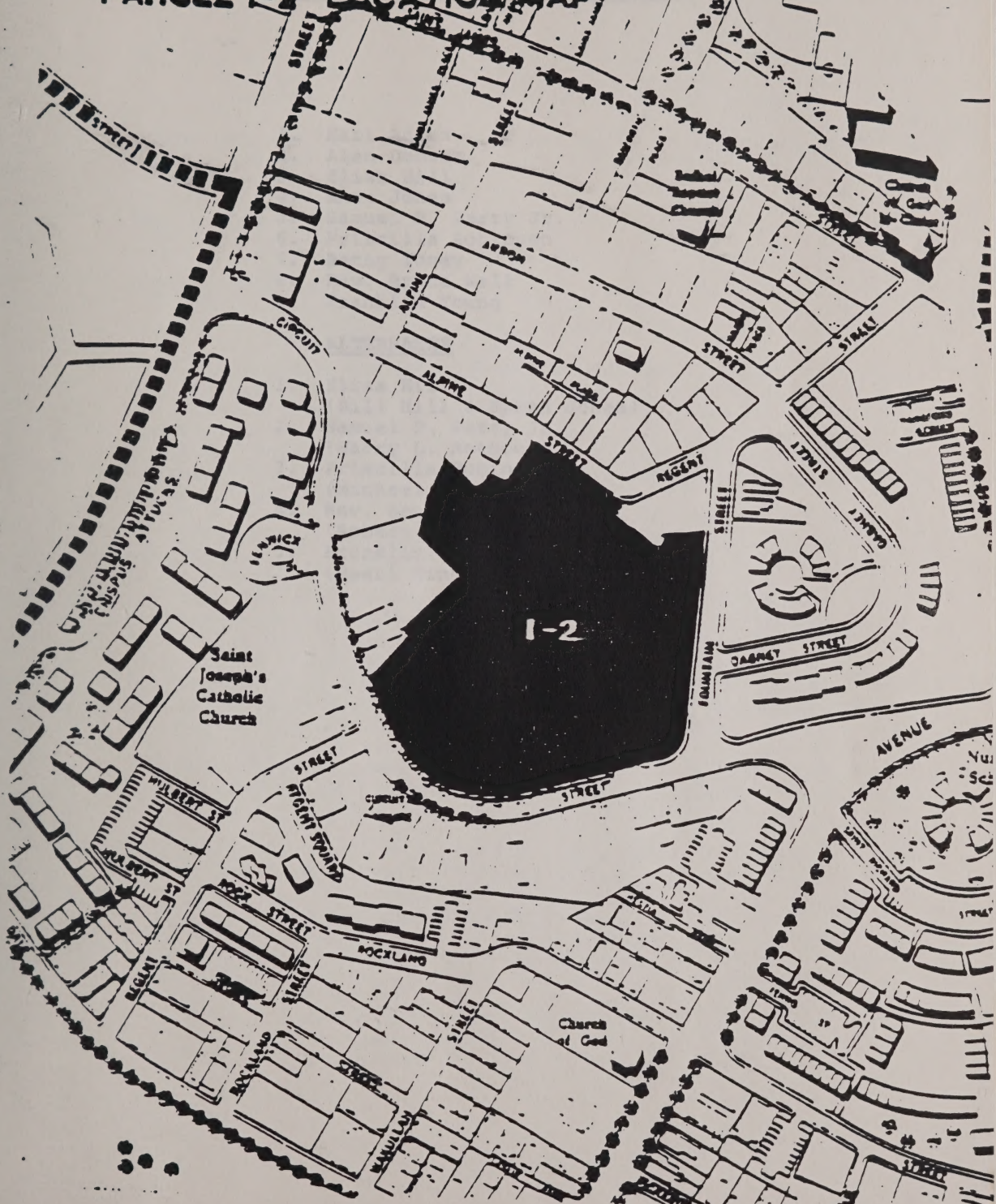
This design reviewing process will include Authority review and approval of all exterior materials and all materials located in interior space accessible to the public and shall include review and approval to all changes from the approved drawings that may occur during the construction period.

II. Financial Conditions

1. Mix The units shall be designed to provide for a mix of one, two and three bedroom units; and both home ownership and rental opportunities.
2. Public Cost The Authority and the City will complete public improvements utilizing bond issue recently approved by the Boston City Council. This will include roads, underground utility, curbs and gutters along the existing rights of way and new roads. It is the developer's responsibility to provide all other site improvements for the units.
3. Affordability - The developer will provide a minimum of 35% of all units to low and moderate income families. (Defined as: low income equals 50% of SMSA median; moderate 80% of SMSA median). The developer agrees to work with the BRA and the PRC to increase that number to 50%. If additional resources/assistance is needed the BRA agrees to work with the developer to reach this goal.

WASHINGTON PARK RENEWAL AREA

PARCEL 1-2 LOCATION MAP



FOUNTAIN HILL SQUARE PARCEL I-2

PROJECT REVIEW COMMITTEE MEMBERS

1. Mari Adams
2. Alan Dobson
3. Elisa Hill
4. Amos Jones
5. Samuel P. Perry Jr.
6. Priscilla Robinson
7. Betty Toney
8. Rev. Bruce Wall
9. Franklin Young

ALTERNATES

1. Elisa Hill
(Bill Hill & Karen Jones)
2. Samuel P. Perry Jr.
(Harry L. Anthony)
3. Priscilla Robinson
(Michael Robinson)
4. Rev. Bruce Wall
(Robert L. Thompson)
5. Franklin Young
(Pearl King Young)

M E M O R A N D U M

TO: Stephen Coyle, Executive Director,
Boston Redevelopment Authority and
the Roxbury Planning Advisory Committee (PAC)

FROM: The Project Review Committee (PRC) for
Parcel I-2, the Fountain Hill Square
Development.

File for the Project Review Committee

RE: Recommendation for the Fountain Hill Square
Development.

DATE: November 8, 1985.

The Project Review Committee for Parcel I-2, the Fountain Hill Square Development, has completed its review of the eight development proposals submitted. The PRC recommends that Taylor Properties be designated the developer for the project. The PRC believes that the proposal submitted by Taylor Properties offers the best solution for affordable housing on this site, given the needs articulated by the community.

This recommendation is based on the following review procedure:

I. The eight developers made detailed individual presentations to the PRC. Each was questioned by the committee not only on details of the project but also on such topics as the developer's experience on similar projects of this size and difficulty; ability to finance the project; and minority business participants already committed. The quality and professionalism of the team was also assessed at these presentations.

II. Each proposal was assigned to a member of the committee who reviewed it and prepared a written summary for the final review.

III. Each proposal was then reviewed by the committee and rated from 1-10 (1=poor; 10=excellent) in the following areas:

- A. Quality of Construction.
- B. Housing Mix.
- C. Amenities.
- D. Design Context.
- E. Affordability.
- F. Minority Business Participation.
- G. Developer Financing.
- H. Experience

The individual raw scores in each category were then multiplied by a percentage factor which reflected the relative degree of importance of each area as previously determined by the committee. Individual scores of the committee members were then totalled and the final score for each proposal was derived by averaging the individual totals.

The results of the final review were as follows:

Cruz Construction	35.43
Taylor Properties	35.05
The Summit Group	29.14
The Alpine Group	27.31
PSH Realty	27.26
Regent Estates	21.77
Myer Shapiro	17.39
Warren Gardens	15.42

Seven of the ten active members of the PRC participated in the final review. Copies of the worksheets are on file.

The difference in scores between Cruz Construction and Taylor Properties is statistically insignificant. Our recommendation is based on a reevaluation of the two proposals in three important areas:

1. Experience.
2. Quality of Construction.
3. Community Accountability.

The committee concluded that the Taylor Properties proposal met these criteria better than the Cruz Construction proposal, especially in the area of quality of construction (i.e. project design). The committee preferred the fee simple homes of the Taylor proposal to the condominium complex offered by Cruz Construction.

In summary, the PRC, having conducted a complete review of each of the proposals submitted, recommends that Taylor Properties be tentatively designated as the developer for the Fountain Hill Square Development. We suggest to the BRA that the Taylor Properties proposal would be further enhanced if Taylor would use Cruz Construction as general contractor. Parcel I-2 is a very difficult site and Cruz is the only contractor with the requisite experience at this location, given his development of the Taurus at Fountain Hill Apartments. By using Cruz Construction, Taylor Properties would maximize community accountability. We are confident that our recommendation will be accepted.

Project Summary

Individual Unit Sale

1 Single House Sale

Possible Finance Source	Type	Income Group Availability	No. of Houses	No. and Type Units	Gross Sq. Ft.	Sales Price	Combined Sales Price	Annual Income Required	Month Payment (2)	Monthly # F.M. Rent (3)	Annual Income Required
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MFR/ Conventional	Condo	Low Income	5	5-3BR 5-2BR	1,460 800	46,866 40,460	87,346	19,700 17,000	509 441		
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MFR/ Conventional	Condo	Moderate Income	10	10-3BR 10-2BR	1,460 800	72,828 64,736	137,564	30,600 27,200	786 700		
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Conventional or Condo (1) (4)	2 Family Market		26	26-3BR 26-1BR	1,460 740	70,000 49,000	119,000	32,677 23,106	844 592	936 455	36,234
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Conventional or Condo (1) (4)	2 Family Market		27	27-3BR 27-2BR	1,460 800	74,361 64,039	139,000	34,339 29,960	903 774	1094 533	42,333
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1. Developer's Choice Depending on Demand.

2. PBI, Fox, Max., Ins., Mtg. Ins., and Cond. Fee.

3. FOM = Fair Market

4. Rental Units: 26-1BR; 27-2BR

Total Gross Square Footage

Gross SF/Unit	No./Unit	Total Gross SF
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3 BR -	1,460	x 69	= 99,280
2 BR -	800	x 42	= 33,600
1 BR -	740	x 26	= 19,240

-152,120

Total Net Square Footage

Net SF/Unit	No. of Units	Total Net SF
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3 BR -	1,357	x 69	= 92,276
2 BR -	707	x 42	= 29,694
1 BR -	677	x 26	= 17,602

-139,572

Attachment D



THE COMMONWEALTH OF MASSACHUSETTS

MASSACHUSETTS HOUSING FINANCE AGENCY

50 MILK STREET

BOSTON, MASSACHUSETTS 02109 • (617) 451-3480

MARVIN M. SIFLINGER
Executive Director

December 12, 1985

Muhammad Ali-Salaam
Senior Planner
Boston Redevelopment Authority
One City Hall Square
Boston, MA 02201

Dear Muhammad:

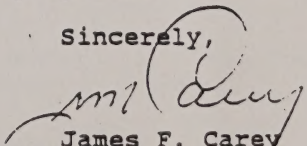
I appreciated talking with you yesterday regarding the I2 Development in the Dudley Station area. Over the past years MHFA's Single Family Programs has made a significant contribution for both Rehabilitation and New Construction Programs within the City of Boston. As we discussed, the programs in the City of Boston are no longer limited to first-time homebuyers. We received a waiver from the Department of Housing and Urban Development to our first-time homebuyer restriction in late 1984.

I hope broadening of the program in this manner will be of assistance to your efforts. The Agency anticipates a bond issue in spring and fall of 1986. It is our anticipation that both bond issues will include a set aside of funds for New Construction efforts. The Agency's selection criteria for funding gives a significant priority for the proposals submitted in conjunction with public agencies such as the BRA.

Based upon our discussions, the I2 proposal appears to meet the Agency's criteria for a publicly sponsored development. There is an excellent possibility for an Agency set aside for this effort. Obviously we cannot make a firm commitment until such time as we have received and reviewed the proposal from the developer and a participating lender.

We look forward to the submission of your proposal.

Sincerely,



James F. Carey
Deputy Director

CC: Marvin Siflinger

Attachment F

July 25, 1985

Mr. Richard L. Taylor
Mr. Michael J. Washington
62 Harold Street
Roxbury, MA 02119

Re: Fountain Hill Square Development
Project Proposal
136 Townhouse and Rental Units

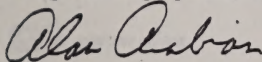
Gentlemen:

Thank you for your proposal regarding the above-captioned project.

Based upon a preliminary review, we would like to express our strong interest in assisting you with your financing requirements for this development.

We look forward to receiving your completed package for a more detailed review of the proposed project in the near future.

Very truly yours,



Alan Arabian
Assistant Vice President

AA:bh

REDEVELOPER'S STATEMENT FOR PUBLIC DISCLOSURE¹

A. REDEVELOPER AND LAND

1. a. Name of Redeveloper: Taylor Properties, Inc.
 b. Address and ZIP Code of Redeveloper: 225 Franklin St. Suite 1150
Boston, MA. 02110
 c. IRS Number of Redeveloper: 04-2853567
2. The land on which the Redeveloper proposes to enter into a contract for, or understanding with respect to, the purchase or lease of land from

Boston Redevelopment Authority
 (Name of Local Public Agency)

in WASHINGTON PARK Urban Renewal Site
 (Name of Urban Renewal or Redevelopment Project Area)

in the City of Boston (Roxbury), State of Massachusetts
 is described as follows²

Fountain Hill Project
in and around Everett, Regent and Alpine streets

3. If the Redeveloper is not an individual doing business under his own name, the Redeveloper has the status indicated below and is organized or operating under the laws of Massachusetts:

- ☒ A corporation.
☐ A nonprofit or charitable institution or corporation.
☐ A partnership known as
☐ A business association or a joint venture known as
☐ A Federal, State, or local government or instrumentality thereof.
☐ Other (explain)

4. If the Redeveloper is not an individual or a government agency or instrumentality, give date of organization:

February, 1985

5. Names, addresses, title of position (if any), and nature and extent of the interest of the officers and principal members, shareholders, and investors of the Redeveloper, other than a government agency or instrumentality, are set forth as follows:

February, 1985

RICHARD L. TAYLOR President TREASURER
DENNIS R. TOLSE, ESQ. CLERK

¹ If space on this form is inadequate for any requested information, it should be furnished on an attached page which is referred to under the appropriate numbered item on the form.

² Any convenient means of identifying the land (such as block and lot numbers or street boundaries) is sufficient. A description by metes and bounds or other technical description is acceptable, but not required.

- a. If the Redeveloper is a corporation, the officers, directors, or trustees, and each stockholder owning more than 10% of any class of stock! *RICHARD L. TAYLOR*
- b. If the Redeveloper is a nonprofit or charitable institution or corporation, the members who constitute the board of trustees or board of directors or similar governing body. *N/A*
- c. If the Redeveloper is a partnership, each partner, whether a general or limited partner, and either the percent of interest or a description of the character and extent of interest. *N/A*
- d. If the Redeveloper is a business association or a joint venture, each participant and either the percent of interest or a description of the character and extent of interest. *N/A*
- e. If the Redeveloper is some other entity, the officers, the members of the governing body, and each person having an interest of more than 10%.

NAME, ADDRESS, AND ZIP CODE

POSITION TITLE (if any) AND PERCENT OF INTEREST OR DESCRIPTION OF CHARACTER AND EXTENT OF INTEREST

RICHARD L. TAYLOR

PRESIDENT and TREASURER

62 HAROLD ST.

ROXBURY, MA 02119

6. Name, address, and nature and extent of interest of each person or entity (not named in response to Item 5) who has a beneficial interest in any of the shareholders or investors named in response to Item 5 which gives such person or entity more than a computed 10% interest in the Redeveloper (for example, more than 20% of the stock in a corporation which holds 50% of the stock of the Redeveloper; or more than 50% of the stock in a corporation which holds 20% of the stock of the Redeveloper):

NAME, ADDRESS, AND ZIP CODE

DESCRIPTION OF CHARACTER AND EXTENT OF INTEREST

(same as above)

7. Names (if not given above) of officers and directors or trustees of any corporation or firm listed under Item 5 or Item 6 above:

RICHARD L. TAYLOR (as above)

DENNIS R. TONASE, ESQ. Fitch, Miller & TONASE

B. RESIDENTIAL REDEVELOPMENT OR REHABILITATION

*189 STATE ST
BOSTON, MA*

(The Redeveloper is to furnish the following information, but only if land is to be redeveloped or rehabilitated in whole or in part for residential purposes.)

1 If a corporation is required to file periodic reports with the Federal Securities and Exchange Commission under Section 13 of the Securities Exchange Act of 1934, so state under this Item 5. In such case, the information referred to in this Item 5 and in Items 6 and 7 is not required to be furnished.

b. If the Redeveloper or any of the principals of the Redeveloper has ever been an employee, in a supervisory capacity, for construction contractor or builder on undertakings comparable to the proposed redevelopment work, name of such employee, name and address of employer, title of position, and brief description of work:

MR. TAYLOR has constructed 7 two family townhouses on Front Ave in Roxbury (1981). MR. TAYLOR is also a General Partner in a 90 unit senior citizen building in New Bedford.

10. Other federally aided urban renewal projects under Title I of the Housing Act of 1949, as amended, in which the Redeveloper or any of the principals of the Redeveloper is or has been the redeveloper, or a stockholder, officer, director or trustee, or partner of such a redeveloper:

ALMAHAT TOWER (90 unit senior citizen building) in New Bedford

11. If the Redeveloper or a parent corporation, a subsidiary, an affiliate, or a principal of the Redeveloper participate in the development of the land as a construction contractor or builder:

a. Name and address of such contractor or builder:

Taylor Properties, Inc will operate as the general contractor of record.

b. Has such contractor or builder within the last 10 years ever failed to qualify as a responsible bidder, refused to enter into a contract after an award has been made, or failed to complete a construction or development contract?

☐ YES ☒ NO

If Yes, explain:

c. Total amount of construction or development work performed by such contractor or builder during the last three years: \$ ten thousand.

General description of such work:

- new construction
- townhouse renovation

d. Construction contracts or developments now being performed by such contractor or builder:

IDENTIFICATION OF CONTRACT OR DEVELOPMENT	LOCATION	AMOUNT	DATE TO BE COMPLETED
19 Kenilworth St.	Roxbury	\$ 10,000	Dec. 1, 1981
115 TOWNSEND ST	Roxbury	20,000	April 1, 1982

21A

12. Brief statement respecting equipment, experience, financial capacity, and other resources available such contractor or builder for the performance of the work involved in the redevelopment of the land, specifying particularly the qualifications of the personnel, the nature of the equipment, and the general experience of the contractor:

We have excellent experience at hiring subcontractors to construct our projects

13. a. Does any member of the governing body of the Local Public Agency to which the accompanying bid proposal is being made or any officer or employee of the Local Public Agency who exercises any functions or responsibilities in connection with the carrying out of the project under which the land covered by the Redeveloper's proposal is being made available, have any direct or indirect personal interest in the Redeveloper or in the redevelopment or rehabilitation of the property upon the basis of such proposal? ☐ YES ☒ NO

If Yes, explain.

- b. Does any member of the governing body of the locality in which the Urban Renewal Area is situated or any other public official of the locality, who exercises any functions or responsibilities in the review or approval of the carrying out of the project under which the land covered by the Redeveloper's proposal is being made available, have any direct or indirect personal interest in the Redeveloper or in the redevelopment or rehabilitation of the property upon the basis of such proposal? ☐ YES ☒ NO

If Yes, explain.

14. Statements and other evidence of the Redeveloper's qualifications and financial responsibility (other than the financial statement referred to in Item 4a) are attached hereto and hereby made a part hereof as follows:

CERTIFICATION

I (We) Taylor Properties, Inc.

certify that this Redeveloper's Statement of Qualifications and Financial Responsibility and the attached evidence of the Redeveloper's qualifications and financial responsibility, including financial statements, are true and correct to the best of my (our) knowledge and belief.²

Dated: November 16, 1975

Dated: _____

Richard S. Gully
Signature

Signature

President and Treasurer
Title

Title

Address and ZIP Code

Address and ZIP Code

¹ If the Redeveloper is a corporation, this statement should be signed by the President and Secretary of the corporation; if an individual, by such individual; if a partnership, by one of the partners; if an entity not having a president and secretary, by one of its chief officers having knowledge of the financial status and qualifications of the Redeveloper.
² Penalty for False Certification: Section 1001, Title 18, of the U.S. Code, provides a fine of not more than \$10,000 or imprisonment of not more than five years, or both, for knowingly and willfully making or using any false writing or document, or the same to contain any false, fictitious or fraudulent statement or entry in a matter within the jurisdiction of any Department of the United States.

[illegible]

MEMORANDUM

DECEMBER 18, 1986

TO: BOSTON REDEVELOPMENT AUTHORITY AND STEPHEN COYLE, DIRECTOR

FROM: RICARDO MILLETT, ASSISTANT DIRECTOR FOR NEIGHBORHOOD
PLANNING AND HOUSING
WILLIAM L. WHITMAN, ASSISTANT TO THE DIRECTOR

RE: INGALLS BUILDING / FOUNTAIN HILL HOUSING CREATION

In April of 1985, Boylston Associates entered into a Development Impact Project Agreement ("DIP Agreement") with the Authority pursuant to the terms of Article 26 of the Boston Zoning Code. This agreement, which can be found in Attachment B, obligates Boylston Associates to the payment of \$275,530 over 12 years, (annual payments of \$22,960,) with the first payment due on the issuance of the certificate of occupancy. This certificate was issued in September. Boylston Associates is awaiting instructions as to the first payment pending disposition of its housing creation proposal.

In August, 1986, 857 Boylston Street Associates ("Boylston Associates"), developers of the so-called Ingalls Building on Boylston Street in Back Bay, submitted a Housing Creation Proposal ("Proposal") pursuant to Section 6 of the Housing Creation Regulations ("Regulations") and paragraph six of its DIP Agreement with the Authority, thereby electing to satisfy its Development Impact Project Exaction by means of the Housing Creation Exaction option. Boylston Associates proposes to subsidize sixteen (16) affordable condominium units in the Fountain Hill development being developed by Taylor Properties in Roxbury by bringing the price of those units down from the developer's cost to levels affordable by low and moderate income households as defined in the Regulations ("Affordable Housing"). See Attachment A.

Taylor Properties was granted tentative designation by the Authority on December 19, 1985. See Attachment C. The designation calls for the construction of a combination of 1, 2, and 3 bedroom units and townhouses, on Washington Park Urban Renewal Parcel I-2 which is now vacant land. This \$11 million development, known as Fountain Hill and for which schematic design approval has been granted, consists of 106 units of housing configured as follows: 44 two bedroom condominiums, 44 three bedroom condominiums, and 18 two-family townhouses.

Phase I of the Fountain Hill development will consist of 38 for sale units: 16 two bedroom condominiums, 16 three bedroom condominiums, and 6 two-family townhouses. Of these, 19 or 50% will be sold at affordable prices to households at 50%,

80%, and 110% of the SMSA median income. The 16 Affordable Housing units to which linkage will be applied will be sold to households at 50% and 80% of the SMSA median income. The 3 additional units will be sold to moderate income households at 80% - 110% of SMSA median income.

Taylor Properties will subsidize the units down to the cost of the units, \$84,185 for a two bedroom unit, and \$90,542 for a three bedroom unit. The Housing Creation Exactions, at an average of \$10,000 per unit, will be used to bring the price down from the developer's cost to the prices shown in Attachment D.

Thus, the 16 Affordable Housing units will be jointly subsidized by Taylor Properties and Boylston Associates' Housing Creation Exaction contribution. Taylor Properties will use additional internal subsidy to reduce the selling prices of the additional 3 below-market units.

The Housing Creation Proposal has a two-tier approach for two reasons. First, Mr. Taylor believes that the presence of a range of income groups is essential to the creation of a harmonious residential community and the ultimate success of this development. Second, Mr. Taylor feels a personal commitment to respond to the broad range of residents of Roxbury who are in need of housing, not all of whom qualify as low or moderate income and many of whom cannot afford market rate housing.

The Proposal is structured also to take advantage of the Housing Opportunity Program ("HOP") available through the Commonwealth's Executive Office of Communities and Development. HOP makes available 5.5% mortgage financing and MHFA first time homebuyer mortgage money to projects which are at least 25% affordable. This program, like the Proposal, responds not only to the need for deep subsidy, but also to the need for assistance for working households with incomes not high enough to afford market rate housing.

"Family income" for the "very affordable units" equals 50% of the Boston SMSA median income then in effect for the appropriate household size. For "affordable units", family income is 80% of the SMSA median; for moderate/middle income units, the applicable percentage is 110%. Monthly Housing Expense is the maximum housing expenses that families of these incomes can afford (30% of the monthly family income for low and moderate income families, 28% for higher income levels). Divide annual family income by 30% (or 28%), then divide by 12 for Monthly Housing Expense. Given interest rates and other variable factors, the prices of the housing units may need to be adjusted accordingly.

The Monthly Housing Expense allowance must be sufficient to pay for the following each month:

- (1) Principal and interest
- (2) Mortgage insurance (estimated at .0034 of mortgage annually)

- (3) Property insurance (estimated at .0075 of unit cost annually)
- (4) Property taxes (estimated at 80% of assessed value times .0164 minus \$120 annually; this may vary depending on neighborhood)
- (5) Condominium or other owner fees (estimated at \$50 monthly).

The Proposal calls for the assignment of the DIP Agreement to Taylor Properties so that Taylor Properties may borrow against the stream of income pledged therein. This assignment at today's interest rates is estimated to result in a discounted cash value of approximately \$160,570. The developer will apply this sum to the purchase prices of the linkage units as they are sold.

The equivalent value or Net Present Value of the linkage funds, calculated pursuant to Section 5 of the Housing Creation Regulations, is \$169,072. This figure is reached by applying a discount rate of 8.45% to the twelve year stream of payments of \$22,960. The discount rate is calculated by blending Boylston Associates' average construction loan rate of 10% with the 6.9% rate on the City's most recent long term (ten year) bond rate. Any difference between the Net Present Value as calculated above and the actual cash value of the assignment is pledged by Taylor Properties to ensure that equivalent value has been achieved.

The 16 Affordable Housing units to which Boylston Associates' linkage funds or Housing Creation Exactions will be applied will be subject to the restrictive covenant which is being finalized now by the Authority's consultant, attorney John Aschatz, and the Authority's Legal Department. The restrictions will govern the affordability at initial sale and at resales for fifty years, ensuring that the housing will remain affordable to eligible households. The Housing Creation Exaction contributions will be held in escrow until conveyance of the Affordable Housing units to eligible purchasers subject to the restrictive covenant.

A final construction loan commitment for this privately-financed development is pending approval of the Housing Creation Proposal before the Authority today. Construction can commence shortly thereafter.

In conclusion, it is recommended that the Authority approve the Proposal as described herein to enable the creation of sixteen units of Affordable Housing and three additional units of below-market rate housing.

Appropriate votes follow:

VOTED:

That the Authority finds after consideration of the evidence 1) that the Fountain Hill Square Housing Creation Proposal ("Proposal") provides equity (ownership) opportunities for low and moderate income

households; 2) that the Proposal maximizes the term of occupancy for low and moderate income households; 3) that the Proposal maximizes the number of Affordable Housing units achievable with the Housing Creation Exaction of 857 Boylston Street Associates; 4) that the Proposal will cause the improvement of blighted areas in the City; 5) that but for 857 Boylston Street Associates' Housing Creation Exaction contribution as set forth in the Proposal, said Affordable Housing could not be built; and 6) that the Neighborhood Housing Trust has approved said Proposal.

Further Voted:

That the Housing Creation Proposal of 857 Boylston Street Associates as described herein be approved as described herein subject to the conditions set forth in the votes below; that the Proposal and any agreements which the Director may execute with respect thereto shall provide at a minimum that nineteen below-market housing units shall be sold by Taylor Properties at so-called Fountain Hill as set forth in Attachment D, dated December 5, 1986, hereto.

Further Voted:

That the Director be and hereby is authorized in the name and on behalf of the Authority to enter into a housing creation agreement with 857 Boylston Associates and Taylor Properties which agreement shall (1) provide for an assignment of the Authority's rights under Section 6 of 857 Boylston Street Associates DIP Agreement, dated April, 1985, (2) require Taylor Properties to set prices for the Affordable Housing per formula set forth above, (3) and be on such other terms and conditions as the Director may deem to be necessary, appropriate, and/or in the best interests of the Authority; and

Further Voted:

That the Director be and hereby is authorized in the name of and on behalf of the Authority to execute an assignment in favor of Taylor Properties of the Authority's financial rights and obligations under Section six of its DIP Agreement with 857 Boylston Associates, dated April, 1985, said assignment to be effective on a pro rata basis as the sixteen (16) Affordable Housing units are conveyed to eligible home buyers whose incomes do not exceed 50% or 80%, as the case may be, of the Boston SMSA median income; that said DIP funds, or the proceeds of any loan made against the assignment of said DIP Agreement be placed in an escrow account with an agent acceptable to the Authority, until Taylor Properties has documented (either by MHFA or EOOD certification

of prospective mortgagors or other documentation satisfactory to the Authority) sales of said units to qualified households as a condition precedent to release of Housing Creation Exaction funds from said escrow account; that said assignment reflect the fact that the sixteen (16) Affordable Housing units are subject to the Authority's standard restrictive covenants regarding resale, and such other terms and conditions as the Director may deem to be necessary, appropriate, and/or in the best interests of the Authority.

Further Voted:

That the Director be and hereby is authorized to execute and deliver such documents, agreements, or instruments as may be required to implement the Proposal as described hereinabove and as amended by the foregoing votes of the Authority.

MEMORANDUM

DECEMBER 8, 1986

TO: NEIGHBORHOOD HOUSING TRUST

FROM: RICARDO MILLETT, ASSISTANT DIRECTOR FOR NEIGHBORHOOD
PLANNING AND HOUSING
WILLIAM L. WHITMAN, ASSISTANT TO THE DIRECTOR

RE: INGALLS BUILDING / FOUNTAIN HILL HOUSING CREATION

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The Monthly Housing Expense allowance must be sufficient to pay for the following each month:

- (1) Principal and interest
- (2) Mortgage insurance (estimated at .0034 of mortgage annually)
- (3) Property insurance (estimated at .0075 of unit cost annually)

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- (5) Condominium or other owner fees (estimated at \$50 monthly).

The Proposal calls for the assignment of the DIP Agreement to Taylor Properties so that Taylor Properties may borrow against the stream of income pledged therein. This assignment at today's interest rates is estimated to result in a discounted cash value of approximately \$160,570. The developer will apply this sum to the purchase prices of the linkage units as they are sold.

The equivalent value or Net Present Value of the linkage funds, calculated pursuant to Section 5 of the Housing Creation Regulations, is \$169,072. This figure is reached by applying a discount rate of 8.45% to the twelve year stream of payments of \$22,960. The discount rate is calculated by blending Boylston Associates' average construction loan rate of 10% with the 6.9% rate on the City's most recent long term (ten year) bond rate. Any difference between the Net Present Value as calculated above and the actual cash value of the assignment is pledged by Taylor Properties to ensure that equivalent value has been achieved.

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A final construction loan commitment for this privately-financed development is pending approval of the Housing Creation Proposal before the Trust today. Construction can commence shortly thereafter.

In conclusion, it is recommended that the Neighborhood Housing Trust support the Proposal as described herein and recommend to the Boston Redevelopment Authority that it approve the Proposal.

An appropriate vote follows:

That the Neighborhood Housing Trust, duly convened and having met and reviewed the Housing Creation Proposal of 857 Boylston Street Associates for the creation of sixteen (16) units of Affordable Housing on Washington Park Urban Renewal Parcel I-2, hereby recommends that the Boston Redevelopment Authority approve said Proposal as described hereinabove and as set forth in a memorandum to the Authority regarding same, dated December 18, 1986.

LM+W

Properties

J. BRAD GRIFFITH PRESIDENT

August 1, 1986

Mr. Stephen Coyle
Director-Boston Redevelopment Authority
Boston City Hall
9th Floor
Boston, Massachusetts 02201

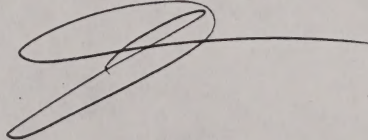
Dear Mr. Coyle:

Pursuant to the provisions of paragraph six of our Development Impact Project Agreement, 857 Boylston Street Associates, (a joint venture of Ingalls Real Estate, Inc. and LM&W Properties Co., Inc.) is pleased to submit to you the enclosed proposal to create affordable housing in Roxbury in satisfaction of our Development Impact Project Exaction Payments.

We propose to direct our annual payments to the proposed Fountain Hill Square project in Roxbury as developed by Taylor Properties, Inc. This 200,000 square foot parcel is the largest privately financed new construction for sale project in Roxbury in the last decade. By assisting this project it is our hope to make housing more affordable to the residents in and around this Washington Park Urban Renewal site.

We are anxious to begin the necessary steps to implement this proposal for affordable housing.

Very truly yours,



MM:jf

Enclosure

cc: John Connolly
Peter Drier
Bill Whitman ✓